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**FISCAL IMPACT STATEMENT**

**LS 6476**

**BILL NUMBER:** SB 325

**NOTE PREPARED:** Feb 14, 2011

**BILL AMENDED:** Feb 14, 2011

**SUBJECT:** Local Development Agreements.

**FIRST AUTHOR:** Sen. Banks

**FIRST SPONSOR:**

**BILL STATUS:** CR Adopted - 1<sup>st</sup> House

**FUNDS AFFECTED:** X GENERAL  
DEDICATED  
FEDERAL

**IMPACT:** State

**Summary of Legislation:** (Amended) The bill provides for the Indiana Gaming Commission's regulation of local development agreements.

**Effective Date:** July 1, 2011.

**Explanation of State Expenditures:** (Revised) The reporting requirements in the bill for recipients of local development agreement payments will result in additional administrative responsibilities for the Indiana Gaming Commission (IGC). The fiscal impact that might arise from these new responsibilities is indeterminable. However, any additional expenses would be paid from Riverboat Wagering Tax revenue annually appropriated to IGC for administrative purposes. (Note: Current statute provides that sufficient funds are annually appropriated to the IGC from Riverboat Wagering Tax revenue deposited in the State Gaming Fund to administer the riverboat gambling laws.) In FY 2010, this distribution totaled about \$1.8 M. The 2009-2011 biennial budget bill appropriates \$3.5 M annually in FY 2010 and FY 2011 from the State Gaming Fund to the IGC for administrative purposes.

The bill specifies the following reporting requirements.

(1) It requires riverboat casino owners and the operating agent of the French Lick Casino to annually report to the Indiana Gaming Commission (IGC) information on economic development payments the casinos make under local development agreements to the parties to such an agreement and other recipients who are specified in such an agreement ("specified recipients") but who are not parties to the agreement. These reports must include total dollar amounts paid, the parties and specified recipients to which payments were made, and any other related economic development payment the IGC. Current statute already requires

riverboat casino owners and the operating agent of the French Lick casino to report annually to the IGC the total dollar amounts and recipients of economic development payments made during the year by the casinos. The riverboat casinos also must report any other items related to the economic development payments that the IGC may require. Consequently, the reporting requirement under the bill may not have an impact on the IGC.

(2) It requires a specified recipient of a development payment to annually report to the IGC any development payment received and any disbursements of the development payments to other recipients, whether specified recipients or recipients not specified in the development agreement (“unspecified recipients”). The report must include the legal name of the person submitting the report; the date, amount, and purpose of each disbursement; the name of each specified and unspecified recipient receiving a disbursement; and any other information that the IGC may require.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** Indiana Gaming Commission.

**Local Agencies Affected:**

**Information Sources:**

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